IIL REMARKS

Claims 1-35 are pending in this application. By this amendment, claims 27 and 35 have been amended. Applicants do not acquiesce in the correctness of the rejections and reserve the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicants reserve the right to pursue the full scope of the subject matter of the original claims in a subsequent patent application that claims priority to the instant application. Reconsideration in view of the following remarks is respectfully requested.

In the Office Action, claims 27-34 are rejected under 35 U.S.C §101 as allegedly being directed to non-statutory subject matter. Claims 1-35 are rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Abdou (U.S. Patent Publication No. 2002/0107773), hereafter "Abdou" in view of Price et al. (U.S Patent Publication No. 2002/0082881), hereafter "Price." These rejections are respectfully traversed for the reasons stated below.

A. REJECTION OF CLAIMS 27-34 UNDER 35 U.S.C. §101

The Office has rejected claims 27-34 for allegedly being directed to non-statutory subject matter. Applicants have amended claim 27 to recite, "[a] computer implemented method for calculating discounts for quotes or purchases of items." Claims 28-34 depend from claim 27.

Applicants assert that this amendment further directs the invention to statutory subject matter.

Accordingly, Applicants request that the rejection be withdrawn.

B. REJECTION OF CLAIMS 1-35 UNDER 35 U.S.C. §103(a)

With regard to the 35 U.S.C. §103(a) rejection over Abdou in view of Price, Applicants assert that the combined references cited by the Office fail to teach or suggest each and every feature of the claimed invention. For example, with respect to independent claim 1, Applicants submit that, contrary to the statement of the Office, Abdou fails to teach or suggest, *inter alia*, "...a unit setting module configured to allow setting membership of at least one item unit with related item units in at least one first group unit in the purchase order," and similarly claimed in claim 27 as "...organizing an item available for purchase into an item unit with other items of a particular kind and at least one first group unit in the purchase order," and in claim 35 as "...an administration module configured to allow organization of each item into at least one group unit with related items in the purchase order." The Office equates the item unit of the claimed invention with a feature of Abdou in which "...customer orders for a common product or service are aggregated into a single order by an independent transaction provider." Para. 0010. The Office then attempts to equate the unit setting module of the claimed invention with the teachings of the following paragraph of Abdou:

Once a winning bid is selected, the savings associated with the bid are allocated in accordance with the volume of each customer. As such, a customer with a large volume will generally receive a greater cost saving than a customer with a smaller volume. Para. 0011.

However, the allocation step of Abdou simply allocates savings to each customer having a customer order in the aggregate order. As such the allocation of Abdou divides the previously aggregated order to distribute savings back to the customers having customer orders in the aggregate order, and does not combine the aggregate order with related aggregate orders in a first group unit. In contrast, the present invention includes "...a unit setting module configured to

allow setting membership of at least one item unit with related item units in at least one first group unit in the purchase order." Claim 1. The Office appears to overlook the fact that at least one first group unit includes multiple related item units. As such, the first group unit of the claimed invention is not merely a division of a previously aggregated order to allocate savings to customers having orders in the aggregate order as in Abdou, but is instead configured to allow setting membership of at least one item unit with related item units in at least one first group unit in the purchase order. For example, a group unit may include an item unit in which the items are electrical outlets and an item unit in which the items are switches. Thus, the allocation of Abdou does not teach or suggest the unit setting module as included in the claimed invention. Price does not cure this deficiency. Accordingly, Applicants respectfully request that the Office withdraw its rejection.

With further respect to independent claim 1, Applicants submit that the cited references fail to teach or suggest "...a discount rule module configured to allow setting at least one discount threshold for each first group unit in the purchase order," and similarly claimed in claim 27 as "...setting at least one discount threshold for each item unit and each first group unit in the purchase order," and in claim 35 as "...a discounter including a calculator configured to: i) determine a next discount threshold for each group unit in the purchase order." Instead, Abdou teaches allocating savings to each customer based on the volume purchased by the customer in order to give a customer that has made a large order more savings than one that has made a smaller order. Para. 0011. However, the allocated savings of Abdou is based on the volume for each customer having an order for a common product or service and is not based on a group unit having related aggregate orders. Para. 0010, 0011. Nowhere, does Abdou teach or suggest

09/718.961

setting at least one discount threshold for each first group unit in the purchase order. The claimed invention, in contrast, includes "...a discount rule module configured to allow setting at least one discount threshold for each first group unit in the purchase order." Claim 1. As such, the discount rule module of the claimed invention does not merely allocate the savings associated with the bid to customers based on the volume of the customer order as in Abdou, but instead allows setting at least one discount threshold for each first group unit in the purchase order. For the above reasons, the savings allocation of Abdou does not teach or suggest the discount rule module of the claimed invention. Price does not cure this deficiency. Accordingly, Applicants request that the rejection be withdrawn.

With still further respect to independent claim 1, Applicants submit that the cited references also fail to teach or suggest, *inter alia*, "...a calculator configured to recommend selection of additional volume to attain a next discount threshold," and similarly claimed in claim 27 as "...recommending selection of additional volume to attain the next discount threshold for the first group unit," and in claim 35 as "...recommend selection of additional volume to attain a next discount threshold in at least one unit." The Office admits that Abdou does not expressly disclose this feature. Office Action, page 5. The Office instead relies on Price, which teaches a method for calculating fees for a transaction based on a base transaction fee and additional volume discounts. Para. 0072, Fig. 5. However, the additional volume discounts of Price are merely thresholds for the additional volume discounts and are not recommendations to select additional volume to reach an additional volume discount threshold. Nowhere does Price teach or suggest recommending selection of additional volume to attain a next discount threshold. In contrast, the claimed invention includes "...a calculator configured to recommend selection of

additional volume to attain a next discount threshold." Claim 1. The Office appears to address this shortcoming of Price by stating a "buyer...knows what purchase volume is associated with what discount step." Office Action, page 5. Applicants traverse this conclusion for the following reasons. First, the Office assumes without support that the buyer knows. Second, and more importantly, the fact that the buyer can know is not the same as the system recommending. As such, the calculator of the claimed invention does not merely offer additional volume discounts without recommending additional amounts needed to reach the discount levels as in Price, but instead is configured to recommend selection of additional volume to attain a next discount threshold. Thus, the additional volume discounts of Price do not teach or suggest the function of the calculator of the claimed invention. Accordingly, Applicants request that the Office withdraw the rejection.

With still further respect to independent claim 35, Applicants subroit that the cited references fail to teach or suggest, *inter alia*, "...an estimator configured to allow a user to select multiple items of different types to attain a total price quote for a purchase order." As stated above, Abdou includes only an aggregate order containing customer orders for a common product or service. Nowhere, however, does Abdou disclose allowing a user to select multiple items of different types to attain a total price quote for an order. In contrast, the claimed invention includes, *inter alia*, "...an estimator configured to allow a user to select multiple items of different types to attain a total price quote for an order." Claim 35. The estimator of the claimed invention does not merely aggregate customer orders for a common product or service, but instead allows a user to select multiple items of different types to attain a total price quote for

Page 12 of 14

an order. Price does not cure this deficiency. Accordingly, Applicants request that the Office's rejection be withdrawn.

With further regard to the 35 U.S.C. §103(a) rejection over Abdou in view of Price,
Applicants assert that there is no motivation or suggestion to combine the references. The Office
states that "...it would have been obvious to a person of ordinary skill in the art to have modified
the system of Abdou to have included the teachings of Price as discussed above because the
capability to dynamically price electronic transactions with a high degree of sophistication will
be highly attractive to leading exchanges." Office Action, page 5. However, Abdou teaches
aggregating customer orders for a common product or service to achieve a savings and allocating
the savings in accordance with the volume of each customer. Para. 0010, 0011. In contrast,
Price teaches scenarios for charging for a number of transactions, such as sales transactions, that
include a flat fee or a base transaction fee and additional volume discounts. Para. 0038, 0039,
0071, and 0072. As such, Abdou, which allocates a discount based on an order is not in the same
field of endeavor and does not solve the same problem as Price, which calculates fees for the
transactions themselves. Thus, the Office has failed to prove a prima facte case of obviousness.
Accordingly, Applicants respectfully request that the rejection be withdrawn.

With regard to the Office's other arguments regarding dependent claims, Applicants herein incorporate the arguments presented above with respect to the independent claims. In addition, Applicants submit that all dependant claims are allowable based on their own distinct features. However, for brevity, Applicants will forego addressing each of these rejections individually, but reserve the right to do so should it become necessary. Accordingly, Applicants respectfully request that the Office withdraw its rejection.

IV. CONCLUSION

In light of the above, Applicants respectfully submit that all claims are in condition for allowance. Should the Examiner require anything further to place the application in better condition for allowance, the Examiner is invited to contact Applicants' undersigned representative at the number listed below.

Respectfully submitted,

Date: April 29, 2005

Spencer K. Warnick Reg. No.: 40,398

Hoffman, Warnick & D'Alessandro LLC Three E-Comm Square Albany, New York 12207 (518) 449-0044 (518) 449-0047 (fax)